

MTR Corporation at a Glance

MTR is recognised as one of the world's leading railway operators, with a successful track record of building sustainable communities based on an integrated approach to rail transport and property development. We opened our first railway line in 1979, since when our activities have increased in size, scale, geographical coverage and diversity. Our growth strategy is making good progress, with significant expansion of our network in Hong Kong and our portfolio of rail-related operations in the Mainland of China and overseas.



Hong Kong Transport Operations

Business Description

We operate a predominantly rail-based transportation system in Hong Kong, comprising Domestic and Cross-boundary services, a dedicated high-speed Airport Express railway and a light rail system. The entire system stretches 220.9 km and has 87 stations and 68 Light Rail stops. Our network is one of the most intensively used in the world, and its reliability, safety and efficiency are held in high regard. We also provide intercity services to and from the Mainland of China as well as a small bus operation in Hong Kong offering convenient feeder services.

2015 Highlights

- Fare revenue increased by 4.3% and total patronage increased 1.8% to 1,938.2 million
- Train service delivery and passenger journeys on-time maintained at 99.9%
- HK\$9.3 billion contracts awarded for purchase of new trains and installation of new signalling systems
- Sai Ying Pun Station the last station of the Western extension of the Island Line opened in March 2015

- Construction progressed for the South Island Line (East), Kwun Tong Line Extension, Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and Shatin to Central Link

Hong Kong Station Commercial Businesses

Business Description

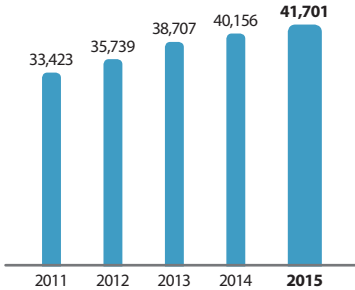
We leverage on our Hong Kong railway assets and expertise in other businesses, including rental of station retail space, advertising in trains and stations and telecommunications.

2015 Highlights

- Station rental revenue rose on trade mix refinements, rental renewal of station shops and rental increases from the Duty Free Shops
- New 40-inch digital escalator advertising panels introduced
- Installation progressed for mobile phone and Wi-Fi services in South Island Line (East) and Kwun Tong Line Extension stations, targeting services on first day of station operation

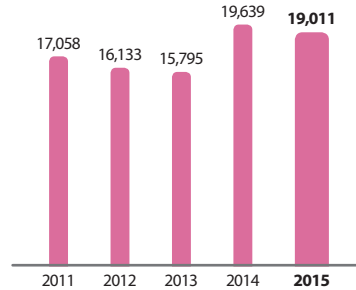
Total Revenue

(HK\$ million)



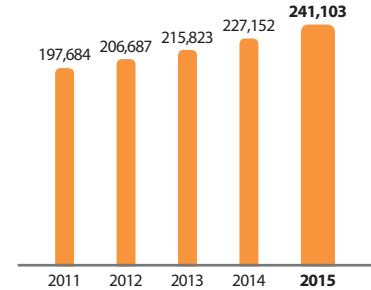
Operating Profit Before Depreciation, Amortisation and Variable Annual Payment

(HK\$ million)



Total Assets

(HK\$ million)



Hong Kong Property and Other Businesses

Business Description

In Hong Kong, we develop for sale mainly residential properties in conjunction with property developers. We hold investment properties, principally shopping malls and offices, managing these and other properties. Our investment portfolio primarily includes shopping malls and 18 office floors of the Two International Finance Centre office tower. We also engage in cable car operations, the Octopus card payments system, consulting and project management.

2015 Highlights

- Strong presale of Hemera (LOHAS Park Package 3) and booking of property development profit
- Successfully awarded Tin Wing Stop property development, LOHAS Park Packages 6, 7, 8 and 9; as well as Yuen Long Station property development (where the Company acts as agent for the relevant subsidiary of Kowloon-Canton Railway Corporation)

Mainland of China and International Businesses

Business Description

We have invested in and operated rail networks and related property developments in the Mainland of China, and operated rail concessions in the UK, Sweden and Australia. We will focus on successfully delivering our newly awarded businesses and continue prudently to pursue new railway and rail-related business opportunities that will generate incremental benefits to our shareholders.

2015 Highlights

In our Mainland of China railway and property businesses:

- Concession Agreement of Beijing Metro Line 16 signed in November 2015
- Hangzhou Metro Line 1 extension opened in November 2015
- The Phase 3 Middle Section of Beijing Metro Line 14 opened in December 2015
- Presales of our first property project in Shenzhen, Tiara, saw about 96% of units sold

In our International railway businesses:

- London Overground Rail Operations Limited took over management of the West Anglia Inner routes and MTR Corporation (Crossrail) Limited started operating the new Crossrail concession in UK in May 2015
- MTR Express inter-city service between Stockholm and Gothenburg in Sweden was launched in March 2015, with full time table implemented in August 2015
- In September 2015, MTR Stockholm AB was granted a six-year extension of the Stockholm metro operating concession from 2017 to 2023
- In December 2015, we were awarded the operating concession to operate and maintain the Stockholm Commuter Rail Systems (Stockholms Pendeltåg) for ten years